

## ALG Minutes March 9, 2011—

Present: Lauren Rosenzweig Morton, Mike Gowing, BoS; Mary Ann Ashton, Bill Mullin, FC; John Petersen, Xuan Kong, SC; Steve Ledoux, John Murray, Steve Mills and Don Aicardi, staff. Absent: Bart Wendell

This was a special ALG meeting with one item on the agenda: Three year plan and logistics for Town Meeting.

Lauren took over the duties of facilitator in the absence of Bart

Extra info: ALG SPREADSHEET

S. Mills reported that the FinCom had endorsed their plan of lowering assessment; using the savings from the HIT and then they voted to recommend the schools' budget

Lauren reported that the BoS had agreed to use 2% lower than House I for FY 12; agreed with Mary Ann's statement on the assumptions; 3% increase; not to tax the \$293k.

John P. SC met last night & reviewed the ALG plan. The SC affirmed the numbers for Ch. 70 and agreed to use 2% down from House I. They also agree to the use of E&D and free cash in the ALG plan.

However he noted that the SC believes that the 3% increase for FY 13 & 14 is not adequate for the needs of the schools. He suggested that 3.5% was more realistic.

Mary Ann reported that the FC met & was fine with the revenue assumptions. They heard the request from the SC for an increase in FY 13 & 14. They will go with [print in the warrant] the 3% and follow Bill's suggestion that that 3.5% be footnoted and the impact/range given.

There was a general discussion on how best to present the assumptions for the out years of FY 13 & 14. There was a move to do different scenarios using the different percentages and carrying it through to the tax rates needed.

S. Mill expressed concern that if the assumptions locked the schools into a 3% increase and a 5% was needed—he was not clear on how the assumptions could be changed

Mary Ann said that the beauty of this process was that in a few short weeks all came together to reach the target budget numbers and the sense of the three is to meet the level service budgets. If we put in the 3.5% now, we will be moving away from level service. The process will look at other numbers---but not today.

John P. asked for the use of staff time to work on the gap between revenue and expenses---since they were using conservative numbers at the outset.

Lauren said she agreed but that the warrant needed to go to press and there was not the time now.

Mary Ann asked for agreement on changes in the spreadsheet that included the removal of FY 10 and adding the tax impact. She will work with Do to check on the numbers that show FY 13 with a \$881k positive; FY 14 with \$1097 positive.

There was continued discussion on how to change the ALG plan for the future & the possibilities of using more reserves.

Xuan expressed his particular concern that the real needs of the schools which had not been met by the level service budgets would continue as unmet needs

Lauren said that it was important for the voters at Town meeting to understand what was being done.



It was suggested and agreed that the surplus revenue use would be placed closer to the bottom of the sheet---nearer to the totals.

There was also the suggestion that there be an ALG meeting after Town meeting where the “old” members would meet with the new & explain what had happened this year, the assumptions, revenue sources and where the surplus stood and unmet needs for both the schools & Town.

At the close, people expressed their appreciation of Lauren’s tenure on the BoS and her participation in the ALG

Adjourned—7:50

Ann Chang